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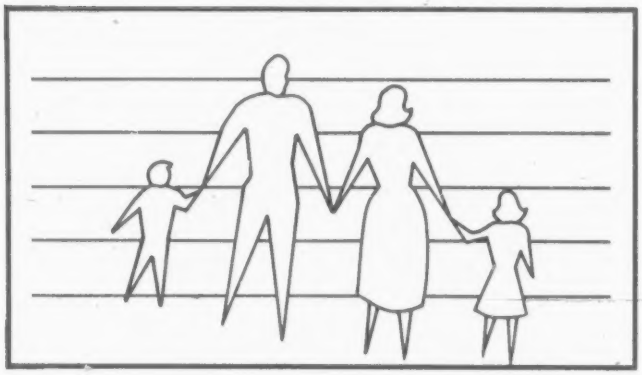
THE ECONOMIC PLIGHT OF AMERICA'S YOUNG FAMILIES

AN UPDATE OF CDF'S VANISHING DREAMS REPORT



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THE ECONOMIC PLIGHT OF AMERICA'S YOUNG FAMILIES

AN UPDATE OF CDF'S VANISHING DREAMS REPORT

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ACKNOWLEDGMENTS

This update of Vanishing Dreams would not have been possible without the research assistance of Neal Fogg of the Center for Labor Market Studies (CLMS), who compiled much of the data on which this report is based. Sara Wilensky of the Children's Defense Fund (CDF) prepared the background tables which appear in the Appendix, and the manuscript was prepared by Rose Harper and Kathy Douglas of CDF.

The research and preparation of this report by CDF was supported in part through grants from the Aetna Foundation and the Exxon Corporation. Research by CLMS was supported by the Ford Foundation and the Russell Sage Foundation. The Revson Foundation provides support for all CDF publications.

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OVERVIEW

One year ago in Vanishing Dreams we wrote that "an economic disaster has occurred for young families." Comparing the economic and social well-being of America's young families in the late 1960s and early 1970s with that of a new generation of young families in 1986, Vanishing Dreams pointed out that such families had suffered a frightening cycle of plummeting earnings, declining marriage rates, rising out-of-wedlock birth rates, increasing numbers of single-parent families, falling family incomes, and skyrocketing poverty rates. While families headed by persons age 30 and older in general held their ground, young families experienced an economic freefall.

Using the most recent available data, we now have updated key portions of Vanishing Dreams to 1987,* and have found that where the situation improved from 1986 to 1987, it improved very little, and that in some major respects things worsened.

By 1987 the nation was in the fifth year of its unusually long, if sometimes frustratingly slow, economic recovery. The unemployment rate dropped significantly, from a 7.0 percent average in 1986 to 6.2 percent in 1987. Median incomes for families (lumping all ages together) rose a little--about 1 percent faster than inflation. Yet the 1987 data show again that young families virtually have been severed from the national economy.

In past U.S. economic recoveries, the groups that were worst off economically--minorities and children and young adults--typically benefitted less from the earlier stages of a recovery, but showed more substantial gains in the later years. If these old rules still applied, 1987 should have been a good year for young families: the fifth year is very late in a recovery cycle by historical standards. But 1987 demonstrated anew that old

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* We have updated the three most important sets of economic data--earnings of family heads, family incomes, and poverty rates--drawn from the Current Population Survey, a household survey conducted by the U.S. Bureau of the Census in cooperation with the U.S. Department of Labor's Bureau of Labor Statistics. All earnings and income figures are adjusted for inflation, and expressed in constant 1986 dollars. We also have updated prenatal care data based on the Monthly Vital Statistics Reports of the National Center for Health Statistics. Young families are those headed by a person younger than 30. The data on which this update is based appear in the Appendix and in last year's Vanishing Dreams report.

economic rules no longer hold true for young families. Economic growth now barely trickles down to them.

The most distressing evidence of this is found in recent poverty trends. **The poverty rate among children living in young families, which has soared throughout the 1980s, continued to rise in 1987.** Nearly 36 out of every 100 children living in young families lived in poverty in 1987. This represents nearly a 50 percent jump since 1979, when 24 out of 100 such children lived in poverty, and nearly a three-quarters increase since 1973.

Poverty Rates Among Children in Young Families

1973	1979	1986	1987	Change 1986-1987	Change 1973-1987
20.7%	24.2%	34.7%	35.6%	+2.6%	+72.0%

Black and Hispanic children in young families fared even worse. For black children the poverty rate rose from 58.2 percent in 1986 to 61.0 percent in 1987. For Hispanic children the increase was from 47.8 percent to 53.4 percent.

Young families have fallen so far behind the rest of society that, while the poverty rate for the society as a whole fell in the two decades from 1967 to 1987, the poverty rate for children in young families nearly doubled from 19 percent to 35.6 percent.

Underlying this skyrocketing poverty rate is an eroding earnings base which is increasingly inadequate to support young families. **The median earnings for all heads of families younger than 30 with children fell by more than 36 percent from 1973 to 1987.** The earnings picture did not brighten much from 1986 to 1987. Indeed, the median annual earnings of all young family heads rose a paltry $107 (0.8 percent) in inflation-adjusted dollars from 1986 to 1987--a rate of increase so slow that it would take 53 years to offset the 1973-1986 losses. And the earnings of family heads ages 25 to 29 continued to fall in 1987.

The causes of this earnings disaster lie in fundamental and often interrelated shifts in the economic and social structure that have reduced the earnings of young workers and changed patterns of family formation. A variety of factors have pushed the earnings of young workers downward, including the drop in the value of the minimum wage compared with inflation, the shift of jobs from manufacturing to the lower-paid service sector, the advent of two-tier wage structures that discriminate against young workers, and the growth of part-time and temporary jobs. As a result, some young workers now are employed for fewer hours, and many are trapped at lower hourly wages when they do work.

The growing proportion of young families headed by single women with limited earnings potential also has contributed to falling median earnings for young family heads. Yet this change in family structure stems at least in part from the earnings losses suffered by young workers. Young men who do not earn enough to support a family are three to four times less likely to marry than those with adequate earnings. As earnings of young men fell from the early 1970s to 1987, their marriage rates also declined by one-third. Between one-fourth and one-half of this drop in marriage rates was attributable to young men's earnings losses. As marriage rates have dropped, the proportion of young family heads that are single--and have lower earnings--has risen. From the early 1970s to 1987, the proportion of births to young women that were out of wedlock nearly doubled.*

Because of lower earnings for family heads and the growing incidence of single-parent families, the total family incomes of young families are far below 1973 levels--with a 24.4 percent plunge from 1973 to 1987 in median income for young families with children. In the same period the income of families headed by persons 30 or older rose a little.

Falling earnings of young workers in the 1970s and 1980s have pushed total family incomes down in two ways. First, the heads of many young families simply are earning less money, and the increased work effort of spouses in two-parent families has not been enough to offset that decline, especially in families with children. Second, as falling earnings have contributed to lower marriage rates, more young households are headed by single women (whose median earnings are far lower than those of other young workers and whose families cannot send a spouse into the work force), thereby depressing the median income for young families much further.

While median annual incomes for all young families, with and without children, rose $211 (1 percent) in 1987 compared with 1986, the increase was of limited significance. Older families gained more, so the income gap between age groups widened. More important, at the 1987 rate of improvement--even if sustained indefinitely--it would take until early in the twenty-first century for young families to regain the ground lost (a 13.5 percent drop in income) from 1973 to 1986.

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* Births to teens are more likely to be out-of-wedlock than births to women 20 or older, but the doubling of the share of births that are out of wedlock did not come because teens are having more babies. Generally they are not, and teens accounted for 12 percent of all births in 1987, as opposed to 20 percent in 1973. Rather, fewer and fewer women--teens and older women--are getting married before the baby is born. If marriage rates had stayed at 1974 levels, there would have been 4.4 million more married couples in 1987.

The young family income picture is even bleaker for particular groups. Those families with children headed by 25- to 29-year-olds suffered a 2.2 percent drop in income in 1987. Young black families' median income dropped 5.6 percent in 1987 compared to 1986, putting it a staggering 33.3 percent below its 1973 levels. **Indeed, in 1987 the median income of the nation's 1.3 million young black families for the first time fell below the amount needed to keep a four-person family out of poverty.**

Young Black Families' Median Income Compared with Federal Poverty Line for a Family of Four

Year	Median Income (1986 Dollars)	Ratio of Median Income to Poverty Line
1967	$16,091	1.436
1973	15,912	1.420
1979	12,753	1.138
1986	11,250	1.004
1987	10,615	.948

As discussed in Vanishing Dreams, falling median incomes and rising poverty rates have severe and profound consequences for the well-being of young families and their ability to obtain housing, health care, and the other necessities of life. This update provides a glimpse of the impact of young families' plight on their access to essential health care. **The proportion of births to young women (younger than 30) who received late or no prenatal care increased dramatically between 1976 and 1986, and continued to deteriorate in 1987.** In contrast, a decreasing percentage of births in older age groups were to women who receive late or no prenatal care.

RECOMMENDATIONS

More than half of America's children are born into and spend some or all of their crucial early developmental years in young families. These children, and our country's future, are endangered if the mothers cannot obtain timely and adequate prenatal care, if the infants are not warm and adequately fed and housed, if the toddlers are not immunized, and if the preschoolers are not in safe, quality child care. Even the makeup of the family--whether the baby lives with two parents--and the family's prospects for long-term stability and self-sufficiency depend on the young parents' early economic status.

The economic freefall of young families from 1973 to 1987 has been produced by sweeping changes in the U.S. economy. It will not be reversed quickly or easily, but Congress must act this year to begin the process of restoring young families' incomes and helping them cope with the economic disaster that has occurred.

There are five key measures that help young families and that have made substantial progress in Congress so far in 1989. They must be passed by the end of the year and signed by the President:

- **Increasing the federal minimum wage,** which has lost more than one-fourth of its real value to inflation since it was last raised in 1981. President Bush's shameful veto of the modest minimum wage hike approved by Congress earlier this year deprived young workers of a foothold to stop the freefall in their earnings. A new minimum wage bill must be passed promptly and signed by the President.

- **Enactment of the Act for Better Child Care Services (ABC),** which would bring the federal government into partnership with state and local governments and employers to ensure that children in working families get safe, quality, affordable, and accessible child care. As two incomes increasingly become a prerequisite for the economic survival of young families with children (typically very young children who need child care while their parents work), and as the growing number of young single parents need child care to enter the work force or increase their hours of work, immediate enactment of ABC is essential. The Senate has passed ABC, the House must do the same, and the President must sign it.

- **Expanding the Earned Income Tax Credit (EITC).** Working families with dependent children and earnings below or slightly above the poverty level receive through the EITC a much-needed offset of rising payroll taxes and,

for some families, a cash supplement to meager earnings. By increasing the amount of the credit (and the earnings levels at which it applies) for families, Congress can make the EITC an even better device to alleviate the plight of young working poor families and help them pay for food, clothing, and shelter. At the same time, Congress must recognize that the EITC is not an alternative to a minimum wage increase or the ABC bill. The Senate has passed a significant EITC expansion to complement ABC, and one is pending in the House.

- **Extending Medicaid coverage to reach all poor and near-poor pregnant women and children.** Young families can't afford to pay for health care themselves, yet only about 70 percent of children with family incomes below twice the poverty line have health insurance (either public or private). Medicaid only covers about 52 percent of all poor children. Bills pending in the House and Senate would extend Medicaid (on a phased-in basis) to all poor children and to all pregnant women and infants with family incomes less than 185 percent of the poverty line. They must be passed, and in later years near-poor children older than one must be added to the program as well.

- **Building upon the successes of proven, cost-effective programs such as Head Start, Chapter 1, WIC, and the Job Corps.** These programs already have proven effective and cost-effective in improving the health of babies, school readiness, basic academic skills, and employment preparation of young Americans, yet they reach only a fraction of all children in need of their assistance. We must expand Head Start so that it reaches half of all eligible children in five years, and build WIC and Chapter 1 so that they reach all eligible children. Funding for Job Corps also should be increased steadily. The FY 1990 Budget Resolution has room for all these enhanced investments, and the House Appropriations Committee took major strides in this direction. Congress must now assure through the rest of the appropriations process that major steps forward occur.

These are the essentials in 1989. After these immediate steps much more must be done, in 1990 and beyond, to restore a strong economic base for young families and prepare children and youths for productive roles in a rapidly changing economy. The continued expansion of Medicaid, child care services, the EITC, Head Start, Chapter 1, WIC, and the Job Corps is essential. But we also will have to make a quantum leap in developing the skills and educational achievement of our children and youths. We will need to increase the effectiveness of our public schools; to create a network of community learning centers that will

strengthen the basic skills of children and youths in out-of-school settings; to build a stronger bridge from school to work for noncollege-bound youths through programs of employment preparation, job placement assistance, counseling, and peer support; to increase investment in education and training to help AFDC families move toward self-sufficiency; to expand apprenticeship and on-the-job training opportunities; and to increase targeted federal grants like the Pell grant program in order to reverse declining college enrollment among poor and minority youths.

While we repair the tattered threads tying young workers to the economy, we will need more public investment to help them and their families in the meantime. We will need to repair the safety net for young families without adequate incomes by increasing AFDC benefits to levels that more adequately reflect the cost of raising children and by changing the rules in safety net programs that discriminate against young families; to strengthen child support enforcement; to fund community improvement projects that provide paid work for unemployed young adults; and to reinvigorate federal efforts to assist first-time home buyers and help low-income families cope with soaring rent burdens.

Today's young adults are no less educated or motivated than their predecessors. As a group, they are more likely to complete high school, go to college, and delay childbearing than the generations before them. But in fundamental ways, the rules of the game have changed faster than our young people have improved their skills. Because the rules have changed, and because our society has focused the brunt of economic dislocation on the generation of workers younger than 30, young Americans now are less able to build the foundation for their own economic security, form stable families, provide adequate support for their children, or have hope and confidence in the future.

While our society will and should expect young people to struggle and sacrifice as they marry and start families, the current combination of greater hours of work, falling wages, rising poverty, and lack of health insurance and affordable housing represents a range of hurdles that goes beyond challenge and invites despair. America must not continue on this self-destructive course.

Summary of Key Data on All Families and Young Families

Median Earnings, Change for 1973-1987	
All Family Heads	-24.1%
Family Heads Ages 30-64	-13.9%
Young Family Heads	-29.3%
Young Family Heads with Children	-36.4%
Median Family Incomes, Change for 1973-1987	
All Families	- 0.4%
All Young Families	-12.6%
All Young Families with Children	-24.4%

* * * * *

Poverty Rates, 1987	
Families without Children	6.1%
All Persons	13.5%
All Children	20.6%
Children in Young Families	35.6%

EARNINGS OF YOUNG FAMILY HEADS

The median earnings of family heads younger than 30 plummeted between 1973 and 1987--falling by 29 percent for all such heads of households, and by 36 percent for those with children. This loss placed great strains on young families. Many married couple families were forced to try to compensate by sending both adults into the work force, postponing having children, or both. Single-parent families had fewer options and usually could not avoid large income losses.

Despite a general improvement of the economy, 1987 did not change these trends. There was an almost negligible increase in the median earnings of young family heads compared with 1986. Earnings losses actually continued for some key groups, while the gains enjoyed by others were so small that they would need several decades to recapture the ground lost since 1973. Among the most disadvantaged groups median earnings remained tragically low, offering family heads no realistic prospect for meeting the basic needs of their children.

The median annual earnings for all family heads younger than 30 increased by $107, or 0.8 percent, in 1987. At this rate of increase, it would take another 53 years for young family heads' earnings to return to their 1973 level.

- The median earnings of young family heads ages 25 to 29 who have children continued to decline, falling by 0.9 percent in 1987. Three out of four children living in young families are in a family headed by a parent between the ages of 25 and 29.

- Among all young family heads with children, median annual earnings rose by $545, or 4.5 percent, in 1987. Yet the losses suffered by these family heads between 1973 and 1986 were so great that their median earnings in 1987 remained 36 percent below the 1973 level.

Median earnings continued to decline for some major groups of young family heads, and the pace of improvement for others was extremely slow.

- Earnings losses in 1987 compared with 1986 were substantial for young white family heads (-3.5 percent) and young heads of married-couple families (-3.2 percent).

- Young high school graduates heading families also lost further ground during 1987 (-0.7 percent). These continuing earnings losses among young high school graduates provide further evidence that a high school

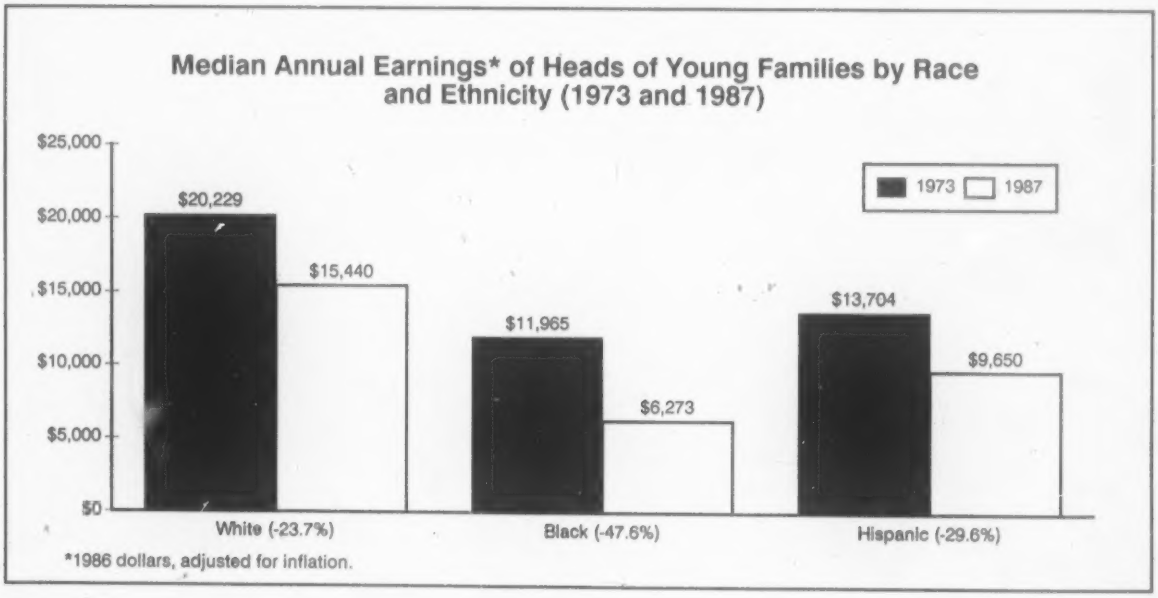
diploma no longer ensures that young workers will be able to secure a stable job at decent wages.

- While median earnings increased slightly for some groups of young family heads in 1987, their gains were dwarfed in size by earlier losses. For example, if their earnings continued to rise at the 1987 rate, it would take another 21 years for young black family heads, 81 years for young Hispanic family heads, and 43 years for young family heads without a high school diploma to return to their 1973 earnings levels.

The median earnings of many young family heads remained far too low in 1987 to enable them to provide adequate support for their children.

- Young female family heads had median earnings of $1,776 in 1987; among young black women heading families, the median earnings were only $421.

- Some groups of young family heads remained virtually shut out of the labor market in 1987. The median earnings for young Hispanic women and for young black high school dropouts who head families were $0 (in each group more than half had no earnings for the entire year).



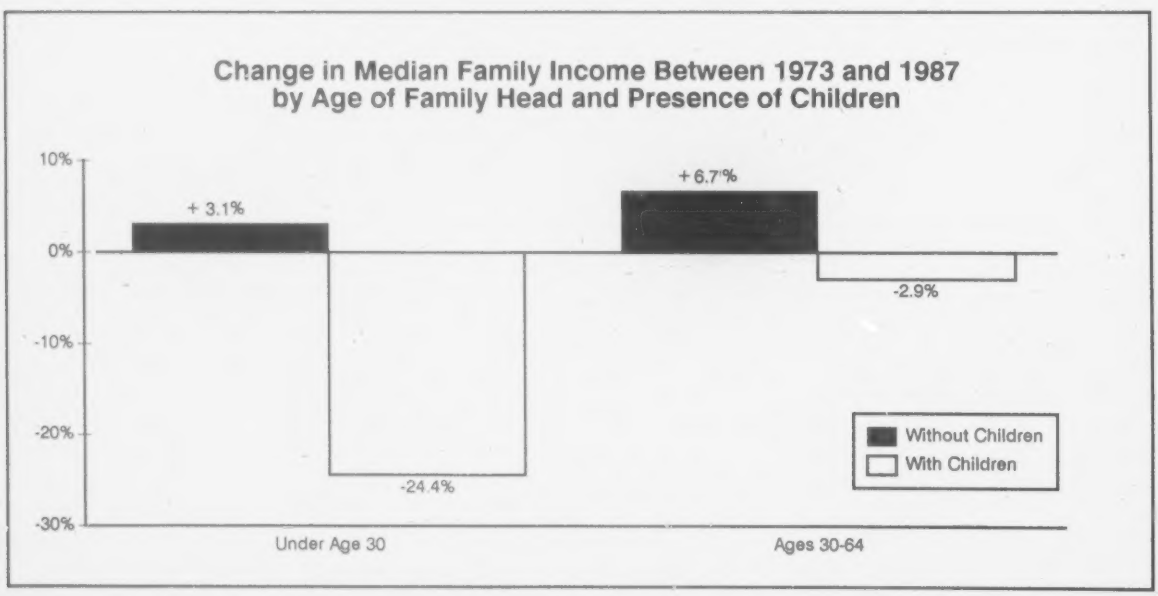
INCOMES OF YOUNG FAMILIES

As the earnings of heads of young families grew only slightly in 1987, the families' median incomes also increased at a rate far too slow to make any real headway against the dramatic losses which have occurred since 1973. Income losses continued for young black and Hispanic families despite an improving economy in 1987. As a result, the gap between young white and minority families grew even wider.

The median income of all young families increased by a mere $211, or 1.0 percent, in 1987. At this rate of improvement, it would take another 15 years for young families to regain the income levels they enjoyed in 1973.

For young families with children, the 26 percent decline in median income which occurred between 1973 and 1986 was as massive as the drop in per capita income experienced by all Americans during the Great Depression from 1929 to 1933. Their median income rebounded marginally in 1987, rising by $256 (1.5 percent). Yet this increase still left the median income of young families with children at only three-fourths of its 1973 level.

- Income gains for older families with children (those headed by persons ages 30 to 64) were substantially larger than those for young families with children, widening the gap between these age groups.



- Three-fourths of all children in young families live in households where the family head is between the ages of 25 and 29. These families with children actually lost additional ground in 1987, as their median income fell by 2.2 percent.

Young minority families did not benefit from improving economic conditions in 1987. Young black families suffered a further 5.6 percent drop in median income, bringing the total 1973-1987 income loss to 33.3 percent. Young Hispanic families experienced an additional 3.3 percent decline in 1987, for a 19.1 percent total loss during the 1973-1987 period.

- The economic prospects of families headed by young black dropouts are particularly bleak: their median income continued to plummet, falling by 7.5 percent (to $4,995) from 1986 to 1987. These families have lost half of their total income since 1973.

- As the incomes of young minority families continued to decline, the income gap between young white and minority families grew larger. For example, the median income of young white families was 1.47 times greater than than of young black families in 1967 and 1.65 times greater in 1973, but by 1987 the ratio of median incomes had grown to 2.39.

- For the first time in decades, the median income of young black families fell below the poverty level for a family of four in 1987.

After very modest gains in 1987 the median incomes of young families headed by persons without a college education remained far below their 1973 levels.

- While the median income of young families headed by high school dropouts rose by 2.7 percent in 1987, it remained 32.9 percent below its 1973 level. It would take another 19 years for these families to recapture the income losses they have suffered since 1973.

- Young families headed by high school graduates saw their median income rise by 1.8 percent in 1987. Yet at this rate of improvement such families would not reach their 1973 income level for another decade.

Median Income of Young Families by Educational Attainment of Family Head, White, Black and Hispanic (1973 and 1987)

	1973	1987	Change 1973-1987
White	$26,328	$25,358	-3.7%
High School Dropouts	19,736	15,585	-21.0%
High School Graduates	25,781	23,474	-8.9%
Some College	29,079	28,950	-0.4%
College Graduates	34,471	38,600	+12.0%
Black	$15,912	$10,615	-33.3%
High School Dropouts	10,115	4,995	-50.6%
High School Graduates	17,891	10,808	-39.6%
Some College	23,740	18,335	-22.8%
College Graduates	28,371	29,075	+2.5%
Hispanic	$17,960	$14,523	-19.1%
High School Dropouts	13,721	9,835	-28.3%
High School Graduates	20,871	18,354	-12.1%
Some College	26,710	22,052	-17.4%
College Graduates	31,748	37,635	+18.5%

POVERTY AMONG YOUNG FAMILIES AND THEIR CHILDREN

The earnings and income losses suffered by young families since 1973 have left them facing a dramatically rising threat of poverty. By 1986 more than one-third of all children living in young families were poor, and young families contained one-third of the nation's poor children. One-half of the entire increase in the number of poor children in America between 1973 and 1986 was the result of falling incomes and rising poverty rates among young families.

Despite minor gains in the median income of young families in 1987, the overall poverty rate for such families continued to rise, especially for families headed by persons ages 25 to 29. The child poverty rate within young families increased quite substantially, rising from 34.7 percent in 1986 to 35.6 percent in 1987.

The poverty rate for young families climbed from 12.3 percent in 1973 to 21.6 percent in 1986 and then to 21.8 percent in 1987. This increase in 1987 occurred despite general improvements in the nation's economy which led to a slight decline in poverty among those families headed by persons ages 30 to 64.

- Since 1973 poverty has increased far more rapidly among young families than older families. The poverty rate jumped by 77.2 percent for all young families during the 1973-1987 period (from 12.3 percent to 21.8 percent), and by 83.2 percent for those young families families with children (from 16.1 percent to 29.5 percent).

- In contrast, the poverty rate for families headed by persons ages 30 to 64 rose by 29.7 percent, from 7.4 percent in 1973 to 9.6 percent in 1987.

Poverty among more disadvantaged groups of young families--including minority families and those headed by persons without a college education--worsened significantly in 1987.

- The poverty rate for young black and Hispanic families increased substantially, and poverty among young families headed by high school dropouts also continued to rise.

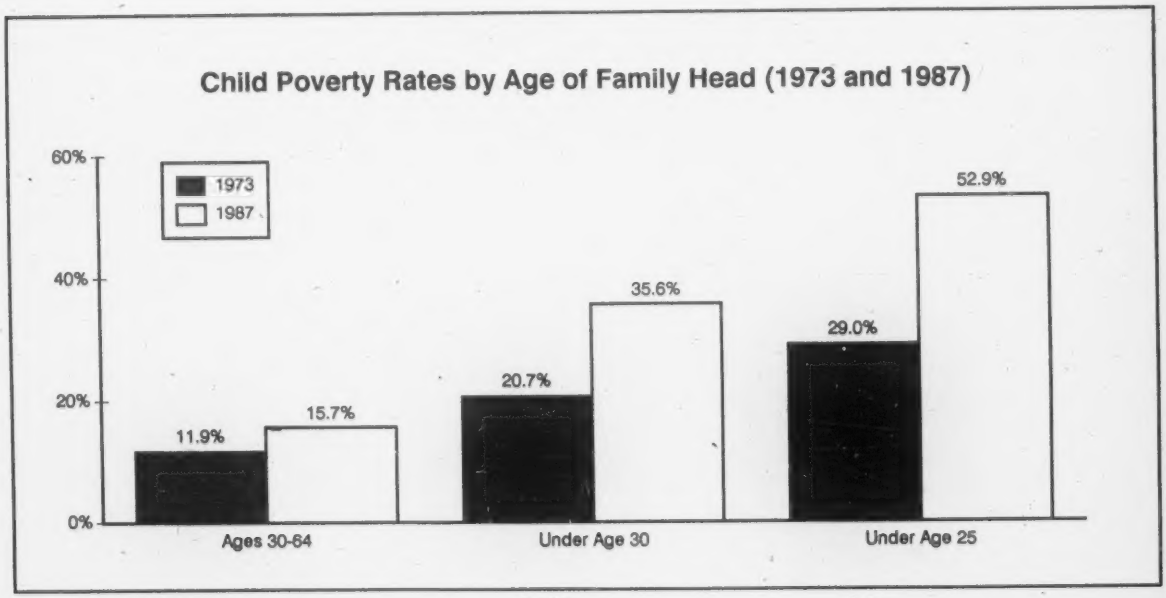
- While poverty among young families headed by high school graduates fell slightly in 1987, at this rate of improvement it would not reach its 1973 level for another 23 years.

Because young families in poverty are more likely to have children than young non-poor families, the child poverty rate in young families is very high. The child poverty rate within young families rose significantly again in 1987 from its already extraordinarily high 1985 level.

- While the poverty rate dropped slightly in 1987 for children in older families (those headed by persons ages 30 to 64), child poverty within young families increased from 34.7 percent in 1986 to 35.6 percent in 1987.

- In 1973, when the child poverty rate in young families was 20.7 percent, children in young families were 1.7 times more likely to be poor than those in older families. By 1987 children in young families were 2.3 times more likely to be poor.

- Child poverty rose to new extremes among more disadvantaged groups of young families in 1987. The child poverty rate reached 61.0 percent in young black families, 53.4 percent in young Hispanic families, 73.9 percent in young female-headed families, and 61.2 percent in young families headed by high school dropouts.



PRENATAL CARE

Most people younger than 65 in this country who have health insurance obtain it through their jobs. Individually purchased health insurance plans, and health care itself, are so expensive that families have great difficulty obtaining insurance or adequate care on their own.

The number of Americans with no health insurance is growing, approaching 40 million as employers cut back on their contributions toward the cost of health plans, as job growth is concentrated in the service sector (where jobs are often low-paid and nonunionized, making health coverage less likely), and as more jobs are temporary or part time--or both--and, therefore, far less likely to provide insurance.

Young workers have been most affected by these changes in labor market structure and health insurance coverage. Vanishing Dreams reported that 18- to 24-year-olds were not only the age group least likely to be insured in 1974, but that during the following decade they suffered a further decline in private insurance coverage that was nearly twice as great as that experienced by any other age group. Public insurance like Medicaid has yet to fill any significant portion of the gap created by this massive private disinsurance.

Lower incomes and less health insurance logically mean less health care access. In Vanishing Dreams we looked at changes in receipt of prenatal care as a key indicator of lack of access. Nothing is more important in ensuring a child's good start in life or a pregnant woman's health than early and comprehensive prenatal care. Since roughly three-fourths of all U.S. births are to mothers younger than 30, utilization of prenatal care among young women takes on particular significance.

The combination of rising disinsurance and falling incomes among young families has taken a dramatic toll on prenatal care. **Younger pregnant women (younger than 30) were less likely to receive early prenatal care in 1986 than just a decade earlier, and the situation worsened again from 1986 to 1987.** During both time periods, on the other hand, early prenatal care rates improved for older pregnant women.

Percentage of Babies Born to Women Who Received Prenatal Care in First Trimester, by Age of Mother, 1976, 1986 and 1987

	1976	1986	1987	Change 1976-1987
Ages 15-19	53.7%	53.4%	53.4%	- 1%
Ages 20-24	74.0%	70.7%	70.2%	- 5%
Ages 25-29	82.3%	82.7%	82.5%	--
Ages 30-34	80.3%	85.5%	85.5%	+ 6%
Ages 35-39	72.3%	82.9%	83.7%	+16%
40 and Older	61.9%	74.1%	75.9%	+23%

Even more alarming is the rapidly increasing percentage of births to young women who receive late or no prenatal care. This percentage grew dramatically between 1976 and 1986, and the pace of deterioration increased further in 1987. And again, while young women lost major ground, women age 30 and older improved their situation substantially.

Percentage of Babies Born to Women Receiving Late or No Prenatal Care, by Age of Mother, 1976, 1986 and 1987

	1976	1986	1987	Change 1976-1987
Ages 15-19	10.9%	12.5%	12.8%	+17%
Ages 20-24	5.6%	7.4%	7.9%	+41%
Ages 25-29	3.5%	4.0%	4.2%	+20%
Ages 30-34	3.9%	3.3%	3.3%	-15%
Ages 35-39	6.4%	4.2%	3.9%	-39%
40 and Older	9.6%	7.3%	6.4%	-33%

APPENDIX

TABLE 1

Median Personal Earnings of Family Heads Younger than 30, by Type of Family, Race/Ethnic Group, and Educational Attainment
(in 1986 Dollars)

	1973	1986	1987	Change 1986-1987	Change 1973-1987
All Family Heads Younger than 30	$19,243	$13,500	$13,607	0.8%	-29.3%
Married Couple	$20,970	$16,955	$16,405	-3.2%	-21.8%
Male-Headed	$13,820	$12,000	$11,870	-1.1%	-14.1%
Female-Headed	$2,171	$1,560	$1,776	13.8%	-18.2%
White, Non-Hispanic	$20,229	$16,000	$15,440	-3.5%	-23.7%
Black, Non-Hispanic	$11,965	$6,000	$6,273	4.6%	-47.6%
Hispanic	$13,704	$9,600	$9,650	0.5%	-29.6%
High School Dropouts	$13,221	$6,240	$6,400	2.6%	-51.6%
High School Graduates	$19,736	$13,600	$13,510	-0.7%	-31.5%
Some College	$20,970	$16,860	$16,405	-2.7%	-21.8%
College Graduates	$24,670	$24,000	$24,125	0.5%	-2.2%

TABLE 2

Median Personal Earnings of Family Heads Younger than 30, by Race/Ethnic Group and Educational Attainment
(in 1986 dollars)

	1973	1986	1987	Change 1986-1987	Change 1973-1987
White, Non-Hispanic	$20,229	$16,000	$15,440	-3.5%	-23.7%
High School Dropouts	$16,036	$8,399	$10,133	20.6%	-36.8%
High School Graduates	$20,970	$15,321	$14,910	-2.7%	-28.9%
Some College	$20,970	$18,000	$17,997	0.0%	-14.2%
College Graduates	$24,670	$24,000	$25,060	4.4%	1.6%
Black, Non-Hispanic	$11,965	$6,000	$6,273	4.6%	-47.6%
High School Dropouts	$3,849	$0	$0	---	-100.0%
High School Graduates	$14,802	$5,640	$6,755	19.8%	-54.4%
Some College	$18,601	$12,000	$12,545	4.5%	-32.6%
College Graduates	$20,970	$14,400	$17,370	20.6%	-17.2%
Hispanic	$13,704	$9,600	$9,650	0.5%	-29.6%
High School Dropouts	$10,983	$6,500	$6,022	-7.4%	-45.2%
High School Graduates	$16,036	$11,700	$11,580	-1.0%	-27.8%
Some College	$21,108	$15,000	$14,475	-3.5%	-31.4%
College Graduates	$23,286	$25,500	$21,065	-17.4%	-9.5%

TABLE 3

Median Family Incomes by Age of Family Head and Presence or Absence of Children
(in 1986 Dollars)

	1973	1986	1987	Change 1986-1987	Change 1973-1987
All Families	$29,604	$29,401	$29,726	1.1%	0.4%
Head Younger than 30	$24,798	$21,455	$21,666	1.0%	-12.6%
Head Age 30-64	$34,291	$33,907	$34,451	1.6%	0.5%
Head Age 65+	$15,826	$19,922	$20,080	0.8%	26.9%
Families with No Children	$27,137	$29,540	$29,529	0.0%	8.8%
Head Younger than 30	$28,469	$29,000	$29,351	1.2%	3.1%
Head Age 30-64	$33,753	$35,954	$36,008	0.2%	6.7%
Head Age 65+	$15,749	$19,924	$20,072	0.7%	27.4%
Families with One Or More Children	$31,084	$29,222	$29,915	2.4%	-3.8%
Head Younger than 30	$23,486	$17,500	$17,756	1.5%	-24.4%
Head Age 30-64	$34,538	$32,400	$33,522	3.5%	-2.9%
Head Age 65+	$19,234	$19,533	$20,376	4.3%	5.9%

TABLE 4

Median Family Incomes of Families Headed by Persons Younger than 30, by Type of Family, Race/Ethnic Group, and Educational Attainment of Family Heads
(in 1986 Dollars)

	1973	1986	1987	Change 1986-1987	Change 1973-1987
All Family Heads Younger than 30	$24,798	$21,455	$21,666	1.0%	-12.6%
Married Couple	$27,137	$26,200	$27,049	3.2%	-0.3%
Male-Headed	$17,950	$20,486	$18,528	-9.6%	3.2%
Female-Headed	$8,635	$6,392	$6,755	5.7%	-21.8%
White, Non-Hispanic	$26,328	$24,275	$25,358	4.5%	-3.7%
Black, Non-Hispanic	$15,912	$11,250	$10,615	-5.6%	-33.3%
Hispanic	$17,960	$15,025	$14,523	-3.3%	-19.1%
High School Dropouts	$16,850	$11,000	$11,300	2.7%	-32.9%
High School Graduates	$24,922	$20,860	$21,230	1.8%	-14.8%
Some College	$28,077	$26,800	$26,634	-0.6%	-5.1%
College Graduates	$33,884	$38,000	$37,732	-0.7%	11.4%

TABLE 5

Median Family Incomes of Families Headed by Persons Younger than 30, by Race/Ethnic Group, and Educational Attainment of Family Head
(in 1986 Dollars)

	1973	1986	1987	Change 1986-1987	Change 1973-1987
White, Non-Hispanic	$26,328	$24,275	$25,358	4.5%	-3.7%
High School Dropouts	$19,736	$13,200	$15,585	18.1%	-21.0%
High School Graduates	$25,781	$23,010	$23,474	2.0%	-8.9%
Some College	$29,079	$28,565	$28,950	1.3%	-0.4%
College Graduates	$34,471	$38,446	$38,600	0.4%	12.0%
Black, Non-Hispanic	$15,912	$11,250	$10,615	-5.6%	-33.3%
High School Dropouts	$10,115	$5,400	$4,995	-7.5%	-50.6%
High School Graduates	$17,891	$9,800	$10,808	10.3%	-39.6%
Some College	$23,740	$18,000	$18,335	1.9%	-22.8%
College Graduates	$28,371	$30,203	$29,075	-3.7%	2.5%
Hispanic	$17,960	$15,025	$14,523	-3.3%	-19.1%
High School Dropouts	$13,721	$10,000	$9,835	-1.7%	-28.3%
High School Graduates	$20,871	$18,006	$18,354	1.9%	-12.1%
Some College	$26,710	$25,350	$22,052	-13.0%	-17.4%
College Graduates	$31,748	$37,915	$37,635	-0.7%	18.5%

TABLE 6

Poverty Rates of Families, by Age of Family Head and Presence or Absence of Children

	1973	1986	1987	Change 1986-1987	Change 1973-1987
All Families	8.8%	11.0%	10.9%	-0.9%	23.9%
Head Younger than 30	12.3%	21.6%	21.8%	0.9%	77.2%
Head Age 30-64	7.4%	9.7%	9.6%	-1.0%	29.7%
Head Age 65+	10.5%	7.0%	7.2%	2.9%	-31.4%
Families with No Children	6.5%	6.0%	6.1%	1.7%	-6.2%
Head Younger than 30	4.9%	4.4%	5.4%	22.7%	10.2%
Head Age 30-64	4.9%	5.8%	5.7%	-1.7%	16.3%
Families with One Or More Children	10.7%	16.1%	16.0%	-0.6%	49.5%
Head Younger than 30	16.1%	30.1%	29.5%	-2.0%	83.2%
Head Ages 30-64	9.0%	12.6%	12.6%	0.0%	40.0%

TABLE 7

Poverty Rates of Families Headed by Persons Younger than 30, by Type of Family, Race/Ethnic Group, and Educational Attainment of Family Head

	1973	1986	1987	Change 1986-1987	Change 1973-1987
All Family Heads Younger than 30	12.3%	21.6%	21.8%	0.9%	77.2%
Married Couple	5.4%	9.2%	9.9%	7.6%	83.3%
Male-Headed	18.8%	16.1%	16.5%	2.5%	-12.2%
Female-Headed	56.5%	62.6%	60.9%	-2.7%	7.8%
White, Non-Hispanic	7.8%	15.2%	14.0%	-7.9%	79.5%
Black, Non-Hispanic	35.2%	45.6%	47.2%	3.5%	34.1%
Hispanic	24.3%	33.6%	35.4%	5.4%	45.7%
High School Dropouts	28.5%	46.4%	47.2%	1.7%	65.6%
High School Graduates	9.3%	20.5%	20.2%	-1.5%	117.2%
Some College	6.1%	9.9%	9.1%	-8.1%	49.2%
College Graduates	1.6%	2.5%	2.0%	-20.0%	25.0%

TABLE 8

Poverty Rates Among Children in Families, by Age of Family Head

	1973	1986	1987	Change 1986-1987	Change 1973-1987
Head Younger than 30	20.7%	34.7%	35.6%	2.6%	72.0%
Head Younger than 25	29.0%	54.1%	52.9%	-2.2%	82.4%
Head Age 25-29	17.4%	28.7%	30.2%	5.2%	73.6%
Head Age 30-64	11.9%	15.8%	15.7%	-0.6%	31.9%

TABLE 9

Poverty Rates Among Children in Families Headed by Persons Younger than 30, by Type of Family, Race/Ethnic Group, and Educational Attainment of Family Head

	1973	1986	1987	Change 1986-1987	Change 1973-1987
All Family Heads Younger than 30	20.7%	34.7%	35.6%	2.6%	72.0%
Married Couple	8.2%	16.0%	17.4%	8.7%	112.2%
Male-Headed	23.2%	39.6%	38.2%	-3.5%	64.7%
Female-Headed	67.7%	73.6%	73.9%	0.4%	9.2%
High School Dropouts	39.5%	60.7%	61.2%	0.8%	54.9%
High School Graduates	13.5%	29.5%	29.1%	-1.4%	115.6%
Some College	8.9%	13.7%	14.5%	5.8%	62.9%
College Graduates	2.8%	7.0%	4.9%	-30.0%	75.0%

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